

FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

RQ-2

Walter C. Davenport, Treasurer Dan Blue Senate Committee 203 Fayetteville Street Mall Raleigh, NC 27602

JAN 2 8 2003

Identification Number:

C00369348

Reference:

October Quarterly Report (8/22/02-9/30/02)

Dear Mr. Davenport:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

While it is permissible for a person to make a contribution for the general election prior to the primary election, the recipient committee must employ an acceptable accounting method to distinguish between primary and general election contributions. 11 CFR §102.9(e) This general election amount must be maintained in the committee's account.

Since the candidate is not seeking office and will not participate in the general election, any contribution received for the general election must be returned to the donors, in accordance with 11 CFR §110.1(b)(3). The use of general election contributions to pay primary debts and obligations is prohibited under the Act as such use could result in individuals making contributions with respect to the primary election in excess of the \$1,000 per election limit. Any subsequent report(s) filed with the Commission must disclose the refund of any general election contributions. Refunds must be done within sixty days after the candidate's announcement not to seek office/ re-election.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any refund. Refunds are reported on Line 20 of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. (1) CFR §104.8(d)(4))